

the U.S. person has actual knowledge, that the underlying transaction is in violation of §§ 585.201, §§ 585.204–585.212, and §§ 585.217–585.218. This interpretation does not apply to obligations arising from an underlying transaction licensed or otherwise authorized pursuant to this part.

[58 FR 13201, Mar. 10, 1993, as amended at 60 FR 34146, June 30, 1995]

§ 585.406 Extensions of credits or loans.

(a) The prohibition in § 585.210 applies to the unlicensed renewal of credits or loans held in the name of a person whose property or interests in property are blocked pursuant to § 585.201 that were in existence on the effective date, whether by affirmative action or operation of law.

(b) The prohibition in § 585.210 applies to credits or loans extended in any currency.

[58 FR 13201, Mar. 10, 1993, as amended at 60 FR 34146, June 30, 1995]

§ 585.407 Payments in connection with certain authorized transactions.

Except as otherwise specified, payments are authorized in connection with transactions authorized in or pursuant to subpart E.

§ 585.408 Offshore transactions.

(a) The prohibitions contained in §§ 585.201 and 585.206 apply to transactions by U.S. persons in locations outside the United States with respect to property in which the U.S. person knows, or has reason to know, that a person whose property or interests in property are blocked pursuant to § 585.201 has or has had an interest since the effective date specified in § 585.301, or that such property is held in the name of a person whose property or interests in property are blocked pursuant to § 585.201.

(b) Prohibited transactions include, but are not limited to, importation into locations outside the United States of, or dealings within such locations in, goods or services originating in the FRY (S&M).

(c) *Examples:* (1) A U.S. person may not, within the United States or abroad, purchase, sell, finance, insure,

transport, act as a broker for the sale or transport of, or otherwise deal in, shoes made in the FRY (S&M).

(2) A U.S. person may not, within the United States or abroad, conduct transactions of any nature whatsoever with an entity that the U.S. person knows or has reason to know is operated from the FRY (S&M) or owned or controlled by the Government of the FRY (S&M).

[58 FR 13201, Mar. 10, 1993, as amended at 60 FR 34146, June 30, 1995]

§ 585.409 Transshipments through the United States prohibited.

(a) The prohibitions in § 585.205 apply to the importation into the United States, for transshipment or transit, of goods which are intended or destined for the FRY (S&M), or an entity operated from the FRY (S&M), or to the Government of the FRY (S&M) in any country.

(b) The prohibitions in § 585.204 apply to the importation into the United States, for transshipment or transit, of goods originating in the FRY (S&M) which are intended or destined for third countries.

(c) Goods in which the Government of the FRY (S&M) has an interest that are imported into or transshipped through the United States are blocked pursuant to § 585.201.

§ 585.410 Imports from third countries of goods originating in the FRY (S&M); transshipments.

Importation into the United States from third countries of goods containing raw materials or components originating in the FRY (S&M) is prohibited. In light of the universal prohibition in UNSC Resolution 757 on the importation of goods exported from the FRY (S&M) after May 30, 1992, substantial transformation or incorporation of such goods in a third country does not exempt the third-country products from the prohibitions contained in this part.

§ 585.411 Exports to third countries; transshipments.

Exportation of goods or technology (including technical data and other information) from the United States to